

**AGENDA FOR
CITY COUNCIL MEMBERS' "NOON" MEETING
MONDAY, AUGUST 4, 2003
Immediately Following Director's Meeting
CONFERENCE ROOM 113**

I. MINUTES

1. Minutes from Council Members' "Noon" Meeting of July 28, 2003
2. Pre-Council Meeting Minutes - Executive Session - RE: Litigation - July 28, 2003.

II. COUNCIL REPORTS ON BOARDS, COMMITTEES, COMMISSIONS AND CONFERENCES

1. Future's Committee Meeting (From the Week of July 21st) (Cook)
2. DEC Board of Director's Meeting (From the Week of July 21st) (Friendt)
3. Downtown Lincoln BID Association Board Meeting (Werner) - **NO MEETING IN JULY**
4. Lincoln Partnership for Economic Development Meeting (Camp) - **NO LPED MEETINGS IN JULY OR AUGUST**
5. PRT Meeting (Newman)

OTHER MEETINGS REPORTS:

III. APPOINTMENTS/REAPPOINTMENTS

- *1. Material from Carol J. Connor, Library Director - RE: Letters & resumes received by the Lincoln City Library Board of Trustees from twelve person interested in being appointed to the Library Board to fill one seven-year term created by the completion of Peter Levitov's term. (See Attached Material) – **HELD OVER FROM THE JULY 28TH "NOON" AGENDA**

IV. REQUESTS OF COUNCIL FROM MAYOR - NONE

V. MEETINGS/INVITATIONS

1. Invitation to the 2003 Water Quality Open Golf Tournament - Thursday, September 4, 2003, the Lower Platte River Corridor Alliance will hold its annual "Water Quality Open" Golf Tournament at Quarry Oaks golf course - at 12:00 p.m. - \$60.00 per person - at 16600 Quarry Oaks Drive near Ashland, Nebraska - RSVP by August 26th - RSVP by sending the enclosed registration form. (See Invitation for more details)

2. The Pipeline Group - Invites you to a complimentary dinner and brief safety program on damage prevention related to excavation activities. This annual informal event will begin with a free dinner at 6:30 p.m. on Thursday, August 21, 2003, at the Firefighters Reception Hall, 241 Victory Lane - The dinner and program last about an hour and a half. - RSVP by August 13th - RSVP by sending the enclosed registration form. (See Letter of Invitation for more details)
3. Ventures in Partnerships Lincoln Public Schools - You're Invited to Ventures in Partnerships Kickoff on Tuesday, August 26, 2003 - Reception, 3:00-3:30 p.m. & 4:45-5:15 p.m. - Awards, 3:30-4:45 p.m. - at St. Mark's United Methodist Church, 8550 Pioneers Blvd. - (See Invitation)
4. On behalf of the National Foundation for Women Legislators (NFWL), I am pleased to invite you to attend the 65th Annual NFWL Conference to be held August 26th-September 2nd, 2003 at the Ritz Carlton Resort, Lake Las Vegas - RSVP by August 7, 2003. (See Invitation for more details)
5. The Lincoln Chamber of Commerce will host its Celebrate Business Luncheon on Wednesday, September 3, 2003 at The Cornhusker Hotel - I invite you to be our guest at this event - The reception will begin at 11:15 a.m. followed by the 12:00 p.m./Noon Luncheon/Awards Program - RSVP by August 13th to Tera Pugh at 436-2350. (See Letter of Invitation)
6. Jeanie Watson, President of Nebraska Wesleyan University, invites you to a special sneak preview of our new state-of-the art residence halls and townhouse village on Tuesday, August 12, 2003 from 4:30 p.m. to 6:30 p.m. - Residence Hall Commons (Enter campus at 53rd & Madison - look for the "Open House" sign) - Join us for brief tours and refreshments - Please RSVP by August 8th to Vanessa Hanna at 465-2124. (See Invitation)
7. The Lincoln Chamber of Commerce invites you to attend the following Ribbon Cutting: - Please RSVP to Tera Pugh at 436-2355 or E-Mail:
 - A.) Trinity Chiropractic, PC - 3120 "O" Street, Suite B - on Friday, August 22, 2003 at 3:00 p.m.

VI. MISCELLANEOUS -

- *1. Discussion List:
 - *1.) Budget Process
 - A.) TV
 - *2.) Interns
 - A.) Supervision
 - B.) Job Description (All Requested by Jon Camp)

Items 1 & 2 - HELD OVER FROM THE JULY 28TH "NOON" AGENDA

VII. CITY COUNCIL MEMBERS

VIII. ADJOURNMENT

***ITEMS HELD OVER FROM JULY 28, 2003.**

MINUTES
CITY COUNCIL MEMBERS' "NOON" MEETING
MONDAY, AUGUST 4, 2003
CONFERENCE ROOM 113

Council Members Present: Jon Camp, Chair; Terry Werner, Vice-Chair; Jonathan Cook, Glenn Friendt, Annette McRoy, Patte Newman, Ken Svoboda; *ABSENT:* None

Others Present: Mark Bowen, Corri Kielty, Mayor's Office; Dana Roper, City Attorney (Attended a portion of the meeting); Joan Ray, Council Secretary; Darrell Podany, Aide to Council Members Camp, Friendt and Svoboda

I. MINUTES

1. Minutes from Council Members' "Noon" Meeting of July 28, 2003
2. Pre-Council Meeting Minutes - Executive Session - RE: Litigation - July 28, 2003.

Chair Camp requested a motion to approve the above-listed minutes. Ken Svoboda moved to approve the minutes as presented. The motion was seconded by Patte Newman and the minutes were approved as presented by unanimous consensus of the Council members.

II. COUNCIL REPORTS ON BOARDS, COMMITTEES, COMMISSIONS AND CONFERENCES -

1. **FUTURE'S COMMITTEE MEETING** (From the Week of July 21st) (Cook) Mr. Cook reported that they had discussed the Infrastructure Financing Package - specifically the part that hasn't come up very much yet...that is the Community Centers Bond Issue. It is in the C.I.P. for 13 or 13.5 million dollars. There is a question as to why that is not coming forward with this part of the package - perhaps to be on the ballot, if we have a Special Election. The thought was that the community centers bond should be on the ballot at the same time that the School's Bond Issue is on the ballot, which could be next May. So, that is the plan right now. That is what we've budgeted for in the Election Fund in the budget money for the Community Centers' Bond Issue. There are a lot of elements, but that is one of the recommendations that came out of the Infrastructure Financing Committee, but it just hasn't received as much notice.

Mr. Cook reported that they had also discussed acquiring land for protection of the flood plain and for green space areas around the City and in the County. Mr. Cook noted that Ms. Sandra Washington had been there and had a lot of fabulous ideas as to where to find funding from various programs of the Federal government and other agencies that help out in such circumstances. He noted that there had been a great deal of discussion about that.

2. DEC BOARD OF DIRECTOR'S MEETING (From the Week of July 21st) (Friendt) Mr. Friendt reported that this is the first time that we've had a performance that has not been ahead of projections. The mildness of the Spring reduced the heating load; then the low temperatures in June reduced the cooling requirement, so the revenues dropped. We've been able to control costs, so we're just a little behind in our net revenue. We think everything will be fine by the end of the year.

They had received an extensive report from one of the energy experts from LES about natural gas prices, which really reinforced everything that we heard from the folks from Aquila regarding what is happening with natural gas prices and why the demand is so heavy and what that is doing to prices. There is concern at LES about this because the Federal government has really encouraged a lot of utilities to move away from clean-burning coal to natural gas to fire their turbines.

Mr. Friendt added that less than 10% of Lincoln's electric energy is being fired by natural gas; but, for the future, unless things change, that percentage will increase.

3. DOWNTOWN LINCOLN BID ASSOCIATION BOARD MEETING (Werner)
- No Meeting in July

4. LINCOLN PARTNERSHIP FOR ECONOMIC DEVELOPMENT(Camp) -
No LPED Meetings in July or August

5. PRT (Newman) Ms. Newman reported that more properties were removed [from the list of problem properties] and there were none added. There is a concern that one property is still on the list and has been there for some time. Ms. Newman stated that she would keep the Council apprized as to how long it takes to clean up a problem that should, probably, be cleaned up by now. Sometimes, Ms. Newman noted, we see that government does work a little too slowly.

OTHER MEETINGS - None

III. APPOINTMENTS/REAPPOINTMENTS - Library Board Appointment: Council Members discussed the appointment for the Library Board which had been carried over from last week's "Noon" Agenda. To open the discussion, Jonathan Cook nominated Marlene Cupp (who had been listed as an alternate by the Library Board) to fill the seven year term. The motion was seconded by Patte Newman. The Chair opened the floor to discussion. Council Members Camp, Friendt and Svoboda felt the Council should appoint the candidate recommended by the Library Board of Trustees (Barbara Sommer). After some discussion, the vote was called on the motion before the Council on the nomination of Ms. Cupp to the Library Board for a seven year term which would begin September 1, 2003 and expire August 31, 2010. The motion to approve Ms. Cupp's nomination to the Library Board of Trustees carried by a 4-3 vote (Camp, Friendt and Svoboda Dissenting)

Ms. Kielty noted that she had two resignations on Boards and Commissions. One is on the Government Access and Information Committee; the other is on the Women's Commission. Ms. Kielty did not know the names of those resigning.

Ms. McRoy stated that she had someone who's name she would like to submit for consideration for appointment to the GAIC, but would like some more information on the Committee as well as some Nominating Forms. Ms. Kielty indicated she would get the information and the application forms to Ms. McRoy yet today.

IV. REQUESTS OF COUNCIL FROM MAYOR - Mr. Bowen stated that he wanted to discuss the public hearings for this afternoon, especially the Infrastructure Finance portion of the meeting. He noted that there were three resolutions and two ordinances which will be called together. Unless there is some reason for a change, we'll approach it by having Allan Abbott introduce two of the ordinances on behalf of the departments that will over-see them. Steve Hubka will introduce the other three. Mr. Hubka is making the presentation because Don Herz [Finance Director] is out of the office.

After they're introduced, Bill Giovanni, the City Financial Advisor, will make a few comments about bonding authority and the financial position that he recommends for the City. Then the Tri-Chairs, including Brad Korell, will be there. Brad and Jan [Gauger] have indicated that they have some comments to offer. Mr. Bowen thought that the two would both make comments today. He noted, for Council's information, that Russ [Bayer] is still on vacation and will not be at the meeting this evening.

After that there will be three people who we know will testify with the possibility of a fourth; then, the unknown people from the general public will testify. Mr. Bowen stated that he would recommend putting a sign-up sheet out at 1:00 o'clock at the Chamber door with an indication that it is a sign-up for this public hearing. Mr. Bowen didn't know if there would be many or few signing in, but it would give us some idea of how many will be coming forward at that point.

Mr. Camp noted that Mr. Korell had requested a rebuttal next week. Mr. Camp stated that it is normal procedure to allow presenters to have a time for rebuttal so he had told Mr. Korell that it would be appropriate to allow such a rebuttal. Discussion continued with input on the logistics of the public hearing process on the infrastructure financing and budget issues. A decision that a summary over-view at the August 11th Meeting should be given in addition to the rebuttal, just to avoid confusion and to allow for clarification.

Council suggested that Administration ensure that Council Members have the copies of all handouts. It was noted that the interns could hand out any materials the public might wish to be distributed to Council Members. The point was made that the media seemed to be confused in their presentation of the budget and fees. All members felt it would be beneficial if someone could contact them to help clarify the facts and information so that the media could report accurately to the public. Mr. Bowen stated that he would try to get an informational summary to the media.

Mr. Bowen stated that Margaret Blatchford, the City Attorney who is working with all of these proposals, will be in the front row of the Chambers to answer any questions Council Members might have. He noted that Mr. Roper would very likely defer to her on any legal questions on the issues. Mr. Roper stated that he certainly would.

V. MEETINGS/INVITATIONS - Noted Without Significant Comment

VI. MISCELLANEOUS -

1. Budget Process -

A.) TV - Mr. Werner had requested that this item be held over for discussion at the August 4, 2003 "Noon" Meeting - Mr. Camp noted that next week, the budget hearings would be televised. Mr. Werner added that he wished that as Council went through this process that the Directors, instead of handing Council reams of paper, would use the budget book; and have them report from the book.

In an aside, Mr. Werner stated that he agreed that the meetings should be televised because people would be interested in that. He went on to state that another thing he would like to see done in the budget process is to have Council receive an actual "expenditures to-date"....and maybe actual expenditures from prior years. He asked what the other Council Members thought about that? Council agreed that a spending history would be a valuable tool in the budget process. It was agreed that Steve [Hubka] may be able to put that information on disk or on-line rather easily.

Mr. Werner added that the Miscellaneous designation be eliminated entirely just because of the perception that "miscellaneous" could be construed as "slush fund". He didn't believe departments were trying to hide anything, but felt a line-item disclosure of the miscellaneous items would be appropriate. He suggested that Mr. Hubka be invited to the next "Noon" meeting to discuss these issues.

Mr. Cook stated that the Budget seems to be impenetrable....offering just the broadest of over-views on spending. The handouts are probably more detailed and we may not be able to get the detailed information any other way. He stated that he'd like to have more information available, but he wasn't sure but that the amount of detail Council would like may be impossible to present in the Budget Book.

It was noted that Ken [Svoboda] has a system that Council might be able to adopt. All of the information is put in order in folders. Council Members agreed that they would like to have the pertinent budget information on a disk, or on-line. The Budget Summary Book is really just a broad stroke - a summary. 'Miscellaneous' seems to be one of the largest categories in some departments' budget. Line Item information would be very helpful.

Ms. Newman suggested that there be a "magic" percentage number at which, if the department's budget increased over the previous year's budget by that percentage amount, there would be an automatic presentation detailing the reason for that increase.

Mr. Svoboda suggested that this discussion should be continued at the Council's Budget Retreat. He felt the what came out of the Retreat last year was helpful for dealing with this year's budget. Streamlining the process even more for next year would be a good topic for the Retreat.

2. Interns - It had been agreed unanimously to carry this issue over to the August 4, 2003 Council Members' "Noon" Meeting for discussion.

A.) Supervision - After discussion on supervision of the interns, Council reached agreement that there should be a central "clearing house" through which the requests would be made. This would be to avoid over-burdening any one of the interns and keep a record of assignments and their completion as well as a schedule of the availability of each intern through the school year.

Mr. Cook asked who they answered to right now. Do they answer to Mr. Camp, or Darrell or Joan or Tammy? Ms. McRoy asked if they were bonded? [Laughter] Mr. Camp indicated that he had tried to give them some direction. He added that Joan and Darrell, being here more, helped them. He noted that Joan had organized some Thursday activities. Tomorrow they'll be helping Sheriff Wagner with Amnesty Day activities. They've been asked and we're going to work some things in with the Planning Department for some programs.

Mr. Camp asked if Mr. Podany or Ms. Ray had any other thoughts on the interns? Ms. Ray noted that they had been a big help with the photocopying and packet preparation. Maybe the interns could help when we start doing the scanning of documents...whenever we find out what the new "joint position" is going to be doing - document scanning would help a great deal. Ms. Ray added that she did not know what the interns' levels of expertise with computers were, wondering how proficient they might be in that area. That knowledge would help to determine what duties might be assigned to them.

Ms. Ray asked what the Council Members have envisioned as "intern duties"? Mr. Svoboda stated that just last week, he had asked Darrell to direct them to get some budget information for him. They did some comparisons over budget books that he didn't have. They took the budget books of the last several years that Darrell could find and highlighted and photocopied pages for him. He noted he would have had to spend a couple of hours in the Council Office trying to find all the books and then go through them all. They did that...he didn't think we should be afraid to ask them to do something that stretches them and challenges them a little bit.

Mr. Werner asked how many hours they would be here. Mr. Camp answered that long-term, they want something to do. He felt it would be good to have two interns in the office on Mondays.

Mr. Cook stated that he was trying to figure out the hierarchy here. Because if it's "Ken tells Darrell, who tells the interns" to do something....he asked if he was expected to call up the interns directly; should he ask Joan to take care of something and she ask the interns to do it; should he be thinking about requesting that it's the interns who work on something....or should we just be asking more of the Council Office and then Joan decides what to assign to the interns. He wasn't sure that he was clear about the workings of the system. He was uncomfortable right now with calling up one of the interns to ask them to follow-up on an issue. He felt it was a little awkward to call them at home.

Mr. Friendt stated that he felt it should go through somebody in the Council Office, otherwise, he felt, a mess will be created, as well as creating potential conflicts for the interns if they were getting instructions from all the different people in the office. He was happy that we had the talent available, but he felt it should go through somebody who is experienced who can weigh priorities and also know what the rest of the work-load is.

B.) Job Description - Mr. Camp explained that they were putting manuals together for them with the Council Members' Committee Assignments. He stated that he would be getting projects for them in helping with constituent inquiries. They're helping on Thursdays with the assembling of packets. He stated that he had told them that they might come to Council with recommendations on how we might improve our systems - with their fresh thoughts since they have those young minds that question why we do things....maybe save some trees. Various duties and meeting attendance were discussed.

The interns {Ms. Julie Haith and Keat O'Hearn} came into the meeting at this point and Ms. McRoy gave them an assignment. Mr. Werner gently chided her for going directly to them rather than going 'through channels'. Mr. Camp asked the interns what they felt would work best in an effort at coordinating their work. The interns hoped that they might attend meetings that Council Members were unable to attend, take notes for them and bring the information back. Mr. Camp noted that the interns had offered to attend meetings for Council members if the occasion arose that a Council Member was unable to attend but wanted a representative at a meeting.

Mr. Camp suggested a "rotation roster" showing who has done the previous assignment, then passing the next Council request on to the next name on the roster. Mr. Camp asked Ms. Ray how she would feel if the assignments came through her, noting that he didn't want to burden Staff, either....but wanted this to be a positive thing for the Council.

Ms. Ray responded that she would have to think about it a little as she had not had time to consider the coordination of their work. She noted that it makes sense to have a central person to keep everything from getting out of hand. She stated that she could talk with the interns and work out some sort of schedule. She thought such discussion might disclose what they would prefer to do, or find out where their strengths might be or where their interests lie. That information would be helpful in determining what duties they would want to undertake. She also posed the question of how much the Council Members wanted to put in the interns' hands. Mr. Svoboda noted that that was up to each individual Council Member. He did agree that coordinating it through the administrative office is good. Last week, he just had Darrell contact them, but we're not utilizing them as much as we probably could and should. Coordinating through Joan would be better, either through e-mail or a personal phone call to her.

Mr. Cook asked if there would be two in attendance everyday? Ms. Ray asked about what the schedule might be when school starts? Mr. Cook asked what Joan could count on, as far as attendance, so she could figure out who she might ask to do a particular task...so she wouldn't have to wait to see who is available. He felt Joan should know the schedules of the interns so she could do the scheduling. Mr. Camp stated that he would be over-seeing some of this as we pull the thing together. He stated that he wants to be sure everyone on the Council gets the utilization of their time and he wanted the interns to feel they've got something to do.

Mr. Podany noted that he has the interns' e-mail addresses and sends notices to all of them when he contacts them regarding possible projects for them. He added that one of the things that had been discussed when the orientation was done was to see if they would want to do a television show through CIC that the four of them could work on together. Mr. Camp noted that they're observing everything right now so they can do a program on the Council at some point. Ms. Ray noted that right now CIC programming comes out of the individual Council Member's Discretionary Funds and asked how that would be split up. Mr. Podany noted that Mr. Camp had volunteered to pay this expense out of his discretionary funds.

Mr. Camp added that this is a volunteer position. School work comes first. He noted that all of the interns have participated in Youth Leadership Lincoln which in and of itself shows their desire to learn about the community. Mr. Svoboda thought it would probably be a six month process to learn how we interact and work with them and what we will expect of them. And learn what more they want to do besides making copies.

Mr. Camp encouraged the interns to speak their minds, noting that the communication would have to be a two-way process. He thanked them and stated that everyone appreciated having them here in the Council Office.

Mr. O'Hearn asked how long the program would run. Mr. Camp noted that he had envisioned a one-year program. Continuing the term through college years was mentioned, if the interns felt comfortable with that.

VII. COUNCIL MEMBERS -

JON CAMP - Mr. Camp asked if any of the Council Members who had attended the Golf Tournament wanted to give a report. Mr. Svoboda stated that none of them had won. [Mr. Friendt, Ms. McRoy and Mr. Svoboda had attended a golf tournament sponsored by the Lincoln Chamber of Commerce] They had been recruited to help Michael Holmes in hosting the event. Mr. Holmes in the new Directors for the State Farm operations. Mr. Cook wished the Chamber would have bowling or pool tournaments. Mr. Svoboda laughed and stated that it was because it was a fund raiser for them and if it were badminton or bowling, nobody would go!

Mr. Camp asked what the admission fees had been. Mr. Svoboda stated that he had been a guest of Olsson & Associates. Mr. Friendt and Ms. McRoy had been guests of the Chamber of Commerce. Ms. McRoy felt some of the other Council Members should begin to pick up the slack on some of these events, because if it's anything athletic, she was being tagged for it. Ms. Newman reminded everyone that she had been on roller skates for a recent press conference. [Laughter]

JONATHAN COOK - No Further Comments

GLENN FRIENDT - No Further Comments

ANNETTE McROY - No Further Comments

PATTE NEWMAN - No Further Comments

KEN SVOBODA - Ken Svoboda stated (as he handed out a summary of the discretionary funds of the Council Members), that he more than likely would bring forward for consideration a change or a restructuring of the Discretionary Funds. He stated that currently the guidelines are way too flexible in allowing us to carry-over \$30-40,000. That amount could eventually total \$60-70,000 and he felt this is a mis-use of that money. He stated that it had been originally set up for research and such. He thought it had strayed from that, though a certain amount of flexibility had been built into it, it has since gone too far in the wrong direction - especially in light of the editorial that was in last week's newspaper. He added that he would be looking at bringing forward a proposal that would increase the funds by \$2,000 per Council Member, but then have just a 15% carry-over.

Ms. Newman asked from what amount the 15% would be figured? Mr. Svoboda stated that if the amount is bumped to \$12,000.00 it would be 15% of that. But, then there would be just a 15% carry-over. Mr. Cook commented that Mr. Svoboda then, wanted to force people to spend the money regardless - or they'll lose it? Mr. Svoboda stated "yes". Mr. Cook stated that very thing was what we have avoided doing with City Departments over the years, because that just forces them to foolishly spend money rather than waiting to spend it in a more prudent manner.

Mr. Svoboda replied that he would certainly hope that our elected officials wouldn't look at that and say I've got money that I'm either going to use or lose - he hoped that none of the members of this body would be looking at doing that. He noted that he, Glenn, Jon and Terry use it for the hiring of an individual [to assist in the Council Office]. He felt that was what the main intent of that discretionary fund had originally been.

Mr. Cook stated that the point would be that, if someone is saving money for a particular project, that person might feel the need to go ahead sooner rather than to wait until... Mr. Svoboda stated that his point in bringing this up is exactly for that reason. It should not be used for special projects of a Council Member. He thought that was just wrong. He appreciated the fact that Coleen did that with Parks & Rec.; appreciated what Mr. Cook had done with the pools last year; but he thought it was wrong when Council Members use that discretionary fund for something like that. It should be used for inner-office research and/or development and/or personal training for Council Members - whether or not that would include attendance at a conference. If one is able to hold over \$1500 to \$1800 from year to year, that would be enough to get a Member to a conference and still have enough money to be able to hire a researcher, or whatever the case might be.

But, along with that, we have to talk to Dana and find out what we're able to use our discretionary funds on. What Mr. Svoboda stated that he'd really like to be able to see is an allowance for Council Members to use their discretionary funds to be able to go to a meeting or a dinner that is sponsored by any number of the groups in the City of Lincoln where we're not "comp'd". If we have to pay \$30.00 to go to a luncheon out of our personal pocket when we only get \$12,000 per year anyway...he thought that was somewhat abusive of that system. He wanted more open freedom on how we use the discretionary fund. He stated that he didn't see the difference between going to a conference in San Diego or using it to support a local group that wants Council representation at luncheon or a dinner.

Mr. Werner asked if it was 15% or 50% - and would that be of the \$12,000 or 15% of what is not spent? Mr. Svoboda answered that it would be 15% of the \$12,000.00. Mr. Werner stated, then, we could carry-over \$1800.00, every year. Mr. Svoboda answered that that would be the maximum that you could ever be able to carry over from year to year. It wouldn't be 15% of the accumulated fund, it would be 15% of your actual allowance.

Mr. Friendt asked if we actually encouraged departments to carry-over and build reserves? The answer was that it is common practice that if something isn't spent one year, it stays in that particular fund and can be expended in a future year. This happens with projects all the time. Ms. Newman noted that it was reallocated, though. Mr. Cook answered that it is reallocated but it is normally carried over into that fund for the next year. Mr. Cook reminded Council that Mayor Wesely had, two years ago, "swiped" the carry-over funds from all the departments, to help balance the budget when the sales tax revenues had been low. He noted that it had been an unusual event and normally, Mayors allow the carry-over year after year.

Mr. Svoboda noted that any carry-over monies were allocated towards particular projects such as in Water and/or Wastewater or Streets. Mr. Cook agreed that they stay in the funds that they're in unless we re-allocate them to another fund, but if they were allocated last year, the money is appropriated for that purpose and if it isn't spent in the budget year, it's in the bank for that purpose to be used the following year or the year after that.

Mr. Svoboda thought it should be project specific. Mr. Cook noted that it is project specific - it's exactly like the snow-removal budget - it carries over to the next year unless we choose to re-allocate it to another fund. Mr. Camp noted that Mr. Cook had in the recent past commented that he would like additional discretionary funds for researchers. Noting that one of the higher balances

was Mr. Cooks and with that higher balance, Mr. Cook could hire someone for the research needs. The idea is, as Mr. Camp viewed the discretionary funds, Council members use the funds in trying to do constituent work and that is what he uses his funds for. He felt Council could set a good example for the rest of the City by not amassing large amounts here.

Ms. McRoy commented that one of the larger balances is hers and she noted that she had gone through several researchers during her time on the Council and just recently found one that was capable of following up and reading without a lot of direction. That is why she had never used her funds in years past, because by the time she had explained a project to someone, she might as well have done it herself. Now she has found someone who is capable and not in need of much direction from Ms. McRoy - but this person doesn't come cheap. Ms. McRoy stated that she guaranteed that her researcher was probably paid more than current staff. She stated that she could see her balance going down quite rapidly over the next year, because her person is in the high double-digit per hour pay range. Because of that, Ms. McRoy tried to respect that level of expertise by prioritizing what she had them do....making sure that it isn't a mundane task. She'll be having the interns assist her in doing the less professional level work. So, she disagreed with Ken in not allowing the carry-over.

Mr. Werner commented that one thing on which he disagreed with Ken was that the reason they had money in L.A. [referencing the aforementioned editorial] was to do constituent things with it. Mr. Werner stated that he felt it was a legitimate use of Discretionary Funds. Yes, there is a chance that it could lead to corruption, but everything Council does is open to the public. If we fix a sidewalk in front of contributors house, we know that that will be public knowledge.

Mr. Svoboda stated that in his opinion when nearly \$38,000 [sic] is donated to Parks & Recreation Department, to him that would indicate that every department director, recognizing that somebody is going to be leaving office, starts lobbying a Council Member for those un-used funds....or even a constituent who wants to use it for something. He felt that was wrong. He stated that he had had nothing to do with the editorial based on the fact that he had just brought it up the week earlier. Mr. Svoboda felt it was wrong when we each individually have discretionary funds that we can use at that kind of discretion. There have to be some guidelines.

Mr. Werner asked if Mr. Svoboda was concerned with the carry-over or the usage? Mr. Werner noted that he was talking about the usage....not the carry-over. Mr. Svoboda stated that it was wrong to fund projects such as trees because that is a function for City government to handle - not a Council Member, individually, to say, for example, "it's important to plant trees on 'O' Street", just because the member was lobbied heavily to do that.

Mr. Cook stated that when the Council had this discussion initially, we talked about what we might feel was important to us in the use of the money. We kept it flexible because some members wanted to use it for hiring staff, some members maybe wanted to use it for capital projects. In the case of the pool, that actually isn't a capital expenditure, that's an operating expenditure. Where do you want to draw that line? If you want it just for staff, then it's not exactly "discretionary" money. It's not available for us to serve our constituents the way *we* feel is important - we will serve our constituents only the way *you* feel is proper - which is to hire Mr. Podany, or a "Mr. Podany-like" person. Mr. Cook stated that he felt that that may not be the way his constituents wanted to be served. If he was willing to do the things himself that Mr. Podany does for Mr. Camp, Mr. Friendt and Mr. Svoboda, then he would have those resources available to serve his constituents in another way. He noted that he understood that Mr. Svoboda didn't agree with what he has done, and apparently, talking about the specter of corruption, Mr. Svoboda was almost implying that there was something corrupt already going on, which is a disturbing comment.

Mr. Svoboda stated that Mr. Cook serves the whole Southwest part of town, but because Irving was having a budget problem with their pool, Irving -a small little area of the entire district- received the money. The other part of the district didn't receive any function from that. What about us three at-large members, where do the three of us sit? Wow....maybe I should have \$30,000 then, because I'm at-large.

Mr. Cook commented that in regards to responding to constituents concerns, he obviously responds to his constituents' concerns. He noted that his job is to serve, more directly, the people in Southwest Lincoln. He obviously has a view for the entire City and what is best for the entire City, and he also responds to those issues. If he spends the money in his district, serving his constituents, he didn't see how that is necessarily any different than serving them in the variety of other ways he serves them - such as answering their calls, going out to look at their projects...whatever is needed.

Mr. Friendt stated that this exchange so far suggests that we ought have this debate and discussion out in the open, in the public forum, and see if we want to refine the rules. See what the public thinks about this and how they feel Council Members should be spending or not spending this money; whether we deserve more money or not. Mr. Friendt stated that he was not in favor of increasing the sum.

Ms. Newman asked if someone could catch her up on the history of the discretionary funds. She asked if it had always been \$10,000. Mr. Cook stated that it had started at \$5,000, it went to \$6,000 then to \$10,000 and \$10,000. It has been a yearly thing for four years....[since 1999]

The request for the Discretionary Funding came from Jeff Fortenberry. Mr. Camp added that Mr. Shoecraft had also been in favor of the fund. Mr. Cook answered that he remembered Mr. Fortenberry pushing for it - and Mr. Fortenberry did hire a person to help in his council office. We did talk at that time as to whether or not there would be strict rules or if we wanted to have flexibility in how we used this money to serve our constituents. At that time, we made the choice to have the policy that we have today.

Council discussed having a public hearing at the budget hearing scheduled for August 11th during the public testimony on the City Budget under the Council Budget portion of the meeting.

Ms. McRoy stated that she would be opposed to changing the uses of the funds. She did not want it reduced to only staff or educational travels. She noted that she had used her funds for helping financially with city-wide events, such as the Annual Minority Aids Awareness event. She had paid for the sound system for that event - an expenditure that had been approved by City Attorney Dana Roper. She would oppose having the use cut to only Staff or Travel. She was somewhat offended by the connotation of the editorial. None of the Lincoln City Council Members have done anything wrong or would do anything wrong with these public funds. Everything we do is open to public scrutiny. She would be opposed to being restricted in the use of the money that the taxpayers have intrusted to her discretion.

Mr. Friendt stated that a discussion of the policy seems like a normal review that should take place. Mr. Cook stated that he understood. We'll discuss the policy now that four years have passed and, as you are pushing to adopt new policies, we will adopt a new policy to only use the money the way the three of you use it. Mr. Svoboda stated that he was not at issue with the uses of the money but with the carry-over.

Mr. Cook answered that for some of us who have spent less of it, your proposal would remove that money from our ability to use it, because we have not used it for the things that you have chosen to spend it on. You spent yours, therefore, you would not suffer under this policy. Mr. Camp stated that he was surprised because Mr. Cook wanted to have a researcher, just like we've had, but you're

setting the money aside. Mr. Cook stated that he wanted the flexibility to do that, but that is not what is being discussed here. The issue here is simply 'let's change the policy, not allow the carry-over', and that would punish those of us who have saved our money for whatever reason rather than those of you who have spent it already. Mr. Cook stated that he sees it, quite frankly, as a pretty political move, but added, addressing Mr. Svoboda, that "you're welcome to make that motion". Mr. Svoboda responded to Mr. Cook with the request that we *not* get into politics with the use of discretionary funds, because he didn't want to have that argument.

Mr. Friendt moved that the meeting be adjourned. The motion was seconded by Ms. McRoy. Mr. Camp declared the meeting adjourned.

TERRY WERNER - No Further Comments

MARK BOWEN - No Further Comments

CORRI KIELTY - No Further Comments

DANA ROPER - No Further Comments

VIII. MEETING ADJOURNED - Approximately 1:10 p.m.

cm080403/jvr